

# LIVESTOCK PRODUCTION COSTS

## COW-CALF, AND MILK PRODUCTION, COSTS AND RETURNS, HEARTLAND REGION, 2002 <sup>1/</sup>

Cow-Calf Production		Dollars Per Bred Cow	Milk Production		Dollars Per Cwt
Gross Value of Production:			Gross Value of Production:		
Steer Calves		171.57	Milk		12.35
Heifer Calves		115.34	Cattle		1.42
Yearling Steers		34.95	Other Income <sup>3/</sup>		0.82
Yearling Heifers		10.80	Total, Gross Value of Production		14.59
Other Cattle		64.54			
Total, Gross Value of Production <sup>2/</sup>		401.47			
Operating Costs:			Operating Costs:		
Feeder Cattle		23.26	Feed--		
Feed--			Feed Grains		2.25
Concentrates and Other Feed		26.81	Hay and Straw		2.74
Supplemental Feed		40.24	Complete Feed Mixes		0.90
Harvested Forages		202.16	Liquid Whey and Milk Replacer		0.10
Cropland Pasture		13.20	Silage		0.78
Private Pasture		73.61	Grazed Pasture and Cropland		0.13
Public Land		0.36	Other Feed Items <sup>4/</sup>		1.65
Total Feed Costs		356.38	Total Feed Costs		8.55
Other--			Veterinary and Medicine		0.76
Veterinary and Medicine		38.49	Bedding and Litter		0.22
Bedding and Litter		1.34	Marketing		0.22
Marketing		4.27	Custom Services		0.53
Custom Operations		40.18	Fuel, Lube, and Electricity		0.47
Fuel, Lube, and Electricity		16.16	Repairs		0.61
Repairs		29.24			
Interest on Operating Inputs		4.40	Interest on Operating Capital		0.10
Total, Operating Costs		513.72	Total Operating Costs		11.46
Allocated Overhead:			Allocated Overhead:		
Hired Labor		0.60	Hired Labor		0.81
Opportunity cost of Unpaid Labor		219.81	Opportunity Cost of Unpaid Labor		5.79
Capital Recovery Cost (Machinery & Equipment)		280.63	Capital Recover of Machinery and Equipment <sup>5/</sup>		4.73
Opportunity Cost of Land		5.55	Opportunity Cost of Land (rental rate)		0.09
Taxes and Insurance		44.23	Taxes and Insurance		0.19
General Farm Overhead		84.10	General Farm Overhead		0.60
Total, Allocated Overhead		634.92	Total, Allocated Overhead		12.21
Total Cost Listed		1,148.64	Total Costs Listed		23.67
Value of Production Less Total Costs Listed		-747.17	Value of Production Less Total Costs Listed		-9.08
Value of Production Less Operating Costs		-112.25	Value of Production Less Operating Costs		3.13

<sup>1/</sup> Heartland Region includes: Illinois, Indiana, Iowa, Western Kentucky, Southern and Western Minnesota, North and Central Missouri, Northeastern Nebraska, Western Ohio, and Southeastern North Dakota.

<sup>2/</sup> Includes marketing cost below to avoid double counting. Market prices used to update gross value of production are net of marketing costs.

<sup>3/</sup> Income from renting or leasing dairy stock to other operations; renting space to other dairy operations; co-op patronage dividends associated with the dairy; assessment rebates, refunds, and other dairy-related resources; and manure production.

<sup>4/</sup> Cotton seed meal, protein supplements, protein byproducts, vitamin or mineral supplements, nonprotein byproducts, alfalfa cubes or pellets, green chop, corn stalks, and antibiotics and other medicated additives.

<sup>5/</sup> Machinery and equipment, and housing, manure handling, and feed storage structures, and dairy breeding herd.

Source: Economic Research Service